

**MINUTES OF THE
BUDGET COMMITTEE**

TUESDAY, AUGUST 12, 2008

At a meeting of the **Budget Committee**, held Tuesday, August 12, 2008, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Brdak, Bruley, Camphous-Peterson, Crouchman, DeSaele, DiMaria, Doherty, Drolet, Duzyj, D. Flynn, J. Flynn, Gielegem, Lund, Mijac, Rengert, Roberts, Rocca, Sauger, Slinde, Switalski, Szczepanski, Tocco, Torrice and Vosburg.

Absent and excused was Haggerty.

There being a quorum of the committee present, Chair Brown called the meeting to order at 9:10 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Szczepanski, supported by Duzyj, to adopt the agenda, as amended (to include item #6A). **The Motion Carried.**

MINUTES

MOTION

A motion was made by Duzyj, supported by Camphous-Peterson, to approve the May 13 and June 4, 2008 (special meeting) minutes of this committee, as written. **The Motion Carried.**

ADOPT 2007 AUDIT AND SINGLE AUDIT

Contained within committee packets was a four-page letter dated June 30, 2008, along with four Comments and Recommendations pages, all of which was prepared by Rehmann Robson. Commissioners were also provided with two spiral binders. The first spiral binder was entitled, County of Macomb – Michigan – Comprehensive Annual Financial Report for the Year Ended December 31, 2007. The second spiral binder was entitled, Macomb

County, Michigan – Single Audit for the Year Ended December 31, 2007.

Attached to the final agenda was a one-page document entitled, Macomb County - Schedule of Adjustments Passed (SOAP) for the December 31, 2007 Audit.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY SZCZEPANSKI, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT THE 2007 COMPREHENSIVE ANNUAL FINANCIAL REPORT AND 2007 SINGLE AUDIT REPORT AS PREPARED BY THE AUDIT FIRM REHMANN ROBSON.

Referring to information that was provided to commissioners, Mr. Tom Darling from Rehmann Robson gave a lengthy verbal presentation.

After the presentation, numerous questions were directed to Mr. Diegel, Mr. Fouty, and Mr. Smigiel.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

RECOMMENDATION FROM COMMUNITY SERVICES COMMITTEE MEETING OF 08-08-08

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY MIJAC, SUPPORTED BY SWITALSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AMEND MACOMB COUNTY BUDGET BY ELIMINATING THE POSITION OF DIRECTOR OF THE COUNTY LIBRARY EFFECTIVE SEPTEMBER 1, 2008. **THE MOTION CARRIED.**

AUTHORIZE TO REASSIGN ACCOUNT CLERK IV SUSAN BATES TO A TEMPORARY POSITION OF BUSINESS COUNSELOR/PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY DiMARIA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TO REASSIGN ACCOUNT CLERK IV SUSAN BATES TO A TEMPORARY POSITION OF BUSINESS COUNSELOR IN THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT. FUNDING FOR THIS POSITION WILL BE OFFSET BY A GRANT FROM THE MICHIGAN SBTDC. **THE MOTION CARRIED.**

ACCEPT 2008/2009 PROSECUTING ATTORNEY AUTO THEFT GRANT

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY DiMARIA, SUPPORTED BY SZCZEPANSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ACCEPT THE 2008/2009 PROSECUTING ATTORNEY AUTO THEFT GRANT RENEWAL IN THE AMOUNT OF \$147,772, WHICH REQUIRES A COUNTY MATCH OF \$70,554. FUNDING IS AVAILABLE IN THE 2008 BUDGET.

A discussion ensued with Mr. Diegel and Mr. Mike Macherzak from the Prosecutor's Office about the increase in county funding for this request and why the increase occurred. During discussion, Captain John Roberts answered questions.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

ACCEPT 2008/2009 SHERIFF'S DEPARTMENT MACOMB AUTO THEFT GRANT (MATS)

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY CAMPHOUS-PETERSON, SUPPORTED BY SLINDE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ACCEPT THE 2008/2009 SHERIFF DEPARTMENT MACOMB AUTO THEFT GRANT (MATS) RENEWAL IN THE AMOUNT OF \$1,169,974, WHICH REQUIRES A COUNTY MATCH OF \$245,126. FUNDING IS AVAILABLE IN THE 2008 BUDGET. **THE MOTION CARRIED.**

RECEIVE AND FILE 2009 AND 2010 MACOMB COUNTY BUDGET PROJECTIONS

MOTION

A motion was made by Doherty, supported by Camphous-Peterson, to receive and file the 2009 and 2010 Macomb County Budget Projections.

Referring to information that was provided in committee packets, Mr. Foster provided a lengthy overview of his four-page outlined letter dated August 4, 2008, that had attached to it Schedule I, Schedule II, and Schedule A.

A lengthy discussion ensued with Mr. Diegel and Mr. Foster about the following topics: the projected loss in revenue from property tax values, increased spending in pension and health care costs, the subsidy for Martha T. Berry, the State of Michigan mandates as it relates to the Department of Human Services foster care subsidy in Macomb County, if anything has been budgeted for the Charter Commission, investment income, how much would be raised if the next Board raised the millage rate to the maximum allowable

amount, and possibly letting the public decide if they want to increase the millage rate to balance the budget and what it would cost per household.

Board Chair Crouchman said that he requested that each department submit to him job descriptions and duties and functions of each employee.

Discussion continued about the following topics: the cost of the 70-Point Plan and how many are currently retired under that plan, how many employees would have to be laid off to cover the projected \$33 million deficit for 2009, reasons why there is an increase in the Health Department Fund, and consider telling department heads today to come up with layoffs and report back next month.

After further discussion, Commissioner DiMaria offered the following **substitute motion**; it was supported by Commissioner Duzyj. The motion reads as follows:

MOTION

A motion was made by DiMaria, supported by Duzyj, to instruct the Finance Department to come up with two plans to balance the 2009 Budget.

Discussion continued about the Finance Department providing commissioners with actual plans that balance the budget and then the two plans can be discussed. It was indicated that a certain amount of layoffs will have to happen. It was noted that years ago in St. Clair Shores they had designed a rolling layoff plan.

Discussion continued about having residents in the northern part of the county pay their fair share in contracting Sheriff services.

During discussion, Commissioner Lund offered a friendly amendment to have the two proposals brought back to this committee in two weeks at a special meeting. Note: During discussion, Chair Brown said that he did not accept this friendly amendment.

Discussion continued about the projected deficit for 2010.

Chair Brown called for a vote on the **substitute motion** and **The Motion Carried** with Bruley, Roberts, and Szczepanski voting "No."

RECEIVE AND FILE 2008 GENERAL FUND BALANCE REQUIREMENT REPORT

MOTION

A motion was made by Camphous-Peterson, supported by Tocco, to receive and file the General Fund Balance Requirement for 2008. **The Motion Carried.**

RECEIVE AND FILE 2008 CONTINGENCY REPORT UPDATE

MOTION

A motion was made by DiMaria, supported by Slinde, to receive and file the 2008 Contingency Report Update. **The Motion Carried.**

NEW BUSINESS

Commissioner Vosburg felt that the plan should include layoffs.

Commissioner Rengert asked Mr. Diegel if he has looked at budgetary adjustments for the Charter Commission. Mr. Diegel felt what should happen is to first get the Charter Commission elected, have an organizational meeting, have them put together what they need, and come back to the Board with their request.

Inquiry was made as to the date and time of the upcoming special Budget Committee meeting. Mr. Diegel said commissioners will be given this information at the Finance Committee meeting tomorrow morning.

PUBLIC PARTICIPATION

Patrick Maceroni, 332 Cambridge, Mount Clemens

Mr. Maceroni recalled that taxes have not been raised for 25 years and for that reason alone it should be put before voters.

ADJOURNMENT

MOTION

A motion was made by Duzyj, supported by Rengert, to adjourn the meeting at 11:14 a.m. **The Motion Carried.**

Denise M. Jacks
Committee Reporter